

Procedures for Annual Adjustments Fayette County

Residential

- Step 1: The land values were established by vacant land sales in the neighborhood. If no vacant land sales could be found then consideration was given to allocation of land values. For 2014 the land values were reviewed and re-delineated for the parcels done in the cyclical reassessment. Due to the limited amount of sales, the vacant residential land was grouped county wide (L1).
- Step 2: After the land values were established, those values were added to the current improvement values and compared to the improved sale prices. A separate trending factor was then applied to the improvements of the property to raise or lower the values to an acceptable median level. If there were no sales in the neighborhood, then consideration was given to like neighborhoods. Due to the number of sales and the fact that several neighborhoods cross township borders, all of the townships with the exception of Connersville and Harrison were grouped together in the sales ratio study (R1).
- Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

Commercial / Industrial

- Step 1: The land values were established by vacant land sales – and where there were no vacant land sales abstraction or allocation methods were employed. There were no additional trending factors applied to the land. We had three vacant commercial land to include in the study - that was not enough to trend and the Statistics are way out of line and not useable. They are only included because they appear to be valid sales. The commercial land values are being reviewed as part of this year's cyclical reassessment.
- Step 2: After the land values were established, those values were added to the improvement values updated by the 2015 DLGF cost tables and compared to the improved sale prices. A separate trending factor was then applied to the improvements of the property to raise or lower the values to an acceptable median level. Due to the limited amount of sales, the commercial and industrial properties were grouped together for the entire county. (C1)
- Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

Due to the number of sales, we opened the window of sales to include 01/01/2013 through 03/01/2015 for Residential properties and 01/01/2012 - 03/01/2013 for Commercial and Industrial properties. Using the paired sales analysis – we found the sales needed adjusted by +2% annual. This time adjustment was computed to the sales price in the "Formatted" tab.